

**CITY OF BISMARCK  
POLICE PENSION FUND  
State Investment Board  
Balance Sheet  
As of 6/30/2008**

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 7,688,804	\$ 9,015,857
INTERNATIONAL EQUITIES	2,942,651	3,582,132
DOMESTIC FIXED INCOME	7,214,697	6,742,550
INTERNATIONAL FIXED INCOME	2,062,409	1,941,026
REAL ESTATE	2,232,500	2,106,988
ALTERNATIVE INVESTMENTS	734,527	396,544
INVESTED CASH (NOTE 1)	<u>97,628</u>	<u>260,157</u>
 TOTAL INVESTMENTS	 22,973,216	 24,045,254
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>44,180</u>	<u>53,879</u>
 TOTAL RECEIVABLES	 44,180	 53,879
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	378,078	2,130,576
 TOTAL ASSETS	 <u>\$ 23,395,474</u>	 <u>\$ 26,229,709</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	378,078	2,130,576
INVESTMENT EXPENSE PAYABLE	<u>30,905</u>	<u>38,523</u>
 TOTAL LIABILITIES	 408,983	 2,169,099
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	24,060,610	20,386,327
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(1,074,119)</u>	<u>3,674,283</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>22,986,491</u>	 <u>24,060,610</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 23,395,474</u>	 <u>\$ 26,229,709</u>

**CITY OF BISMARCK  
POLICE PENSION FUND  
State Investment Board  
Profit and Loss Statement  
For the Month Ended 6/30/2008**

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 66,138	\$ 643,069
SECURITIES LENDING INCOME	<u>961</u>	<u>45,443</u>
	67,099	688,512
 GAIN ON SALE OF INVESTMENTS	 186,965	 2,434,069
LOSS ON SALE OF INVESTMENTS	<u>183,313</u>	<u>2,086,760</u>
 NET GAINS (LOSSES) INVESTMENTS	 3,652	 347,309
 INVESTMENT EXPENSES	 7,995	 147,621
SECURITIES LENDING EXPENSES	298	40,768
 NET INVESTMENT INCOME	 62,458	 847,432
 NET APPREC (DEPREC) MARKET VALUE	 (1,019,749)	 (1,889,287)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(5,393)</u>	<u>(32,264)</u>
 TOTAL INVESTMENT INCOME	 <u>(962,684)</u>	 <u>(1,074,119)</u>
 NET INCREASE (DECREASE)	 <u>\$ (962,684)</u>	 <u>\$ (1,074,119)</u>

**CITY OF BISMARCK**  
**POLICE PENSION FUND**  
**Notes To Financial Statements**  
**June 30, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 4**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.